

June 21, 2002

TO: All Potential Offerors

SUBJECT: Amendment #2 to NREL RFP No. RCI-2-32049 for the "Next Generation Natural Gas Vehicle Phase II: Integration Program"

This amendment is issued to answer administrative questions received by potential offerors; answers are shown in italics.

1. Is profit allowed on lower-tier subcontracted expense?

*Profit or fee is not allowed on NREL's fixed price – price participation or cost sharing subcontracts, neither for a prime subcontractor nor a lower-tier subcontractor. However, if warranted, the award of a lower-tier subcontract between the prime subcontractor and lower-tier subcontractor can be a fixed price type award, which may allow for profit. NREL reserves the right to review all lower-tier subcontract proposals to determine the reasonableness of all proposed costs/price, including profit.*

*For any lower-tier fixed price subcontract containing profit, the profit amount CANNOT be proposed as a cost to NREL. Therefore, the lower-tier profit must be reflected in the subcontractor's price participation or cost share amount.*

2. Monthly or Quarterly Reports are usual in this type of project. I don't see any in this Statement of Work. Will they be added?

*Task Milestone Reports, as described in the Deliverables section of the Statement of Work, are requested instead of fixed monthly or quarterly reports. Initially, these milestone reports are to be proposed by the offeror. Frequency of these deliverables and corresponding payment shall depend on reaching significant project milestones within the structure of the project. These deliverables may be negotiated prior to subcontract award.*

No other changes to the RFP are in effect.

**Please be reminded that the due date for proposals is June 27, 2002.** Remember to submit an **original and eleven (11) hard copies** of the technical and cost proposals (no fax or e-mail



transmittals). Also, due to increased security concerns, no hand-delivered packages will be accepted. *Proposal delivery must be made via overnight or postal carrier.*

We look forward to receiving your proposal!

Best regards,

[K. Flanagan Roqué] e-sig.

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Cc: Source Evaluation Team